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1 services when appropriate and other alternative service
2 delivery and reimbursement methodologies, including
3 competitive bidding pursuant to s. 287.057, designed to
4 facilitate the cost-effective purchase of a case-managed
5 continuum of care. The agency shall also require providers to
6 minimize the exposure of recipients to the need for acute
7 inpatient, custodial, and other institutional care and the
8 inappropriate or unnecessary use of high-cost services. The
9 agency shall contract with a vendor to monitor and evaluate
10 the clinical practice patterns of providers in order to
11 identify trends that are outside the normal practice patterns
12 of a provider's professional peers or the national guidelines
13 of a provider's professional association. The vendor must be
14 able to provide information and counseling to a provider whose
15 practice patterns are outside the norms, in consultation with
16 the agency, to improve patient care and reduce inappropriate
17 utilization. The agency may mandate prior authorization, drug
18 therapy management, or disease management participation for
19 certain populations of Medicaid beneficiaries, certain drug
20 classes, or particular drugs to prevent fraud, abuse, overuse,
21 and possible dangerous drug interactions. The Pharmaceutical
22 and Therapeutics Committee shall make recommendations to the
23 agency on drugs for which prior authorization is required. The
24 agency shall inform the Pharmaceutical and Therapeutics
25 Committee of its decisions regarding drugs subject to prior
26 authorization. The agency is authorized to limit the entities
27 it contracts with or enrolls as Medicaid providers by
28 developing a provider network through provider credentialing.
29 The agency may competitively bid single-source-provider
30 contracts if procurement of goods or services results in
31 demonstrated cost savings to the state without limiting access

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1 to care. The agency may limit its network based on the
 2 assessment of beneficiary access to care, provider
 3 availability, provider quality standards, time and distance
 4 standards for access to care, the cultural competence of the
 5 provider network, demographic characteristics of Medicaid
 6 beneficiaries, practice and provider-to-beneficiary standards,
 7 appointment wait times, beneficiary use of services, provider
 8 turnover, provider profiling, provider licensure history,
 9 previous program integrity investigations and findings, peer
 10 review, provider Medicaid policy and billing compliance
 11 records, clinical and medical record audits, and other
 12 factors. Providers shall not be entitled to enrollment in the
 13 Medicaid provider network. The agency shall determine
 14 instances in which allowing Medicaid beneficiaries to purchase
 15 durable medical equipment and other goods is less expensive to
 16 the Medicaid program than long-term rental of the equipment or
 17 goods. The agency may establish rules to facilitate purchases
 18 in lieu of long-term rentals in order to protect against fraud
 19 and abuse in the Medicaid program as defined in s. 409.913.
 20 The agency may seek federal waivers necessary to administer
 21 these policies.

22 (4) The agency may contract with:

23 (b) An entity that is providing comprehensive
 24 behavioral health care services to certain Medicaid recipients
 25 through a capitated, prepaid arrangement pursuant to the
 26 federal waiver provided for by s. 409.905(5). Such an entity
 27 must be licensed under chapter 624, chapter 636, or chapter
 28 641 and must possess the clinical systems and operational
 29 competence to manage risk and provide comprehensive behavioral
 30 health care to Medicaid recipients. As used in this paragraph,
 31 the term "comprehensive behavioral health care services" means

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1 covered mental health and substance abuse treatment services
2 that are available to Medicaid recipients. The secretary of
3 the Department of Children and Family Services shall approve
4 provisions of procurements related to children in the
5 department's care or custody prior to enrolling such children
6 in a prepaid behavioral health plan. Any contract awarded
7 under this paragraph must be competitively procured. In
8 developing the behavioral health care prepaid plan procurement
9 document, the agency shall ensure that the procurement
10 document requires the contractor to develop and implement a
11 plan to ensure compliance with s. 394.4574 related to services
12 provided to residents of licensed assisted living facilities
13 that hold a limited mental health license. Except as provided
14 in subparagraph 8., and except in counties where the Medicaid
15 managed care pilot program is authorized pursuant to s.
16 409.91211, the agency shall seek federal approval to contract
17 with a single entity meeting these requirements to provide
18 comprehensive behavioral health care services to all Medicaid
19 recipients not enrolled in a Medicaid managed care plan
20 authorized under s. 409.91211 or a Medicaid health maintenance
21 organization in an AHCA area. In an AHCA area where the
22 Medicaid managed care pilot program is authorized pursuant to
23 s. 409.91211 in one or more counties, the agency may procure a
24 contract with a single entity to serve the remaining counties
25 as an AHCA area or the remaining counties may be included with
26 an adjacent AHCA area and shall be subject to this paragraph.
27 Each entity must offer sufficient choice of providers in its
28 network to ensure recipient access to care and the opportunity
29 to select a provider with whom they are satisfied. The network
30 shall include all public mental health hospitals. To ensure
31 unimpaired access to behavioral health care services by

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1 Medicaid recipients, all contracts issued pursuant to this
 2 paragraph shall require 80 percent of the capitation paid to
 3 the managed care plan, including health maintenance
 4 organizations, to be expended for the provision of behavioral
 5 health care services. In the event the managed care plan
 6 expends less than 80 percent of the capitation paid pursuant
 7 to this paragraph for the provision of behavioral health care
 8 services, the difference shall be returned to the agency. The
 9 agency shall provide the managed care plan with a
 10 certification letter indicating the amount of capitation paid
 11 during each calendar year for the provision of behavioral
 12 health care services pursuant to this section. The agency may
 13 reimburse for substance abuse treatment services on a
 14 fee-for-service basis until the agency finds that adequate
 15 funds are available for capitated, prepaid arrangements.

16 1. By January 1, 2001, the agency shall modify the
 17 contracts with the entities providing comprehensive inpatient
 18 and outpatient mental health care services to Medicaid
 19 recipients in Hillsborough, Highlands, Hardee, Manatee, and
 20 Polk Counties, to include substance abuse treatment services.

21 2. By July 1, 2003, the agency and the Department of
 22 Children and Family Services shall execute a written agreement
 23 that requires collaboration and joint development of all
 24 policy, budgets, procurement documents, contracts, and
 25 monitoring plans that have an impact on the state and Medicaid
 26 community mental health and targeted case management programs.

27 3. Except as provided in subparagraph 8., by July 1,
 28 2006, the agency and the Department of Children and Family
 29 Services shall contract with managed care entities in each
 30 AHCA area except area 6 or arrange to provide comprehensive
 31 inpatient and outpatient mental health and substance abuse

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1 services through capitated prepaid arrangements to all
2 Medicaid recipients who are eligible to participate in such
3 plans under federal law and regulation. In AHCA areas where
4 eligible individuals number less than 150,000, the agency
5 shall contract with a single managed care plan to provide
6 comprehensive behavioral health services to all recipients who
7 are not enrolled in a Medicaid health maintenance organization
8 or a Medicaid capitated managed care plan authorized under s.
9 409.91211. The agency may contract with more than one
10 comprehensive behavioral health provider to provide care to
11 recipients who are not enrolled in a Medicaid capitated
12 managed care plan authorized under s. 409.91211 or a Medicaid
13 health maintenance organization in AHCA areas where the
14 eligible population exceeds 150,000. In an AHCA area where the
15 Medicaid managed care pilot program is authorized pursuant to
16 s. 409.91211 in one or more counties, the agency may procure a
17 contract with a single entity to serve the remaining counties
18 as an AHCA area or the remaining counties may be included with
19 an adjacent AHCA area and shall be subject to this paragraph.
20 Contracts for comprehensive behavioral health providers
21 awarded pursuant to this section shall be competitively
22 procured. Both for-profit and not-for-profit corporations
23 shall be eligible to compete. Managed care plans contracting
24 with the agency under subsection (3) shall provide and receive
25 payment for the same comprehensive behavioral health benefits
26 as provided in AHCA rules, including handbooks incorporated by
27 reference. In AHCA area 11, the agency shall contract with at
28 least two comprehensive behavioral health care providers to
29 provide behavioral health care to recipients in that area who
30 are enrolled in, or assigned to, the MediPass program. One of
31 the behavioral health care contracts shall be with the

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1 existing provider service network pilot project, as described
 2 in paragraph (d), for the purpose of demonstrating the
 3 cost-effectiveness of the provision of quality mental health
 4 services through a public hospital-operated managed care
 5 model. Payment shall be at an agreed-upon capitated rate to
 6 ensure cost savings. Of the recipients in area 11 who are
 7 assigned to MediPass under the provisions of s.
 8 409.9122(2)(k), a minimum of 50,000 of those MediPass-enrolled
 9 recipients shall be assigned to the existing provider service
 10 network in area 11 for their behavioral care.

11 4. By October 1, 2003, the agency and the department
 12 shall submit a plan to the Governor, the President of the
 13 Senate, and the Speaker of the House of Representatives which
 14 provides for the full implementation of capitated prepaid
 15 behavioral health care in all areas of the state.

16 a. Implementation shall begin in 2003 in those AHCA
 17 areas of the state where the agency is able to establish
 18 sufficient capitation rates.

19 b. If the agency determines that the proposed
 20 capitation rate in any area is insufficient to provide
 21 appropriate services, the agency may adjust the capitation
 22 rate to ensure that care will be available. The agency and the
 23 department may use existing general revenue to address any
 24 additional required match but may not over-obligate existing
 25 funds on an annualized basis.

26 c. Subject to any limitations provided for in the
 27 General Appropriations Act, the agency, in compliance with
 28 appropriate federal authorization, shall develop policies and
 29 procedures that allow for certification of local and state
 30 funds.

31 5. Children residing in a statewide inpatient

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1 psychiatric program, or in a Department of Juvenile Justice or
 2 a Department of Children and Family Services residential
 3 program approved as a Medicaid behavioral health overlay
 4 services provider shall not be included in a behavioral health
 5 care prepaid health plan or any other Medicaid managed care
 6 plan pursuant to this paragraph.

7 6. In converting to a prepaid system of delivery, the
 8 agency shall in its procurement document require an entity
 9 providing only comprehensive behavioral health care services
 10 to prevent the displacement of indigent care patients by
 11 enrollees in the Medicaid prepaid health plan providing
 12 behavioral health care services from facilities receiving
 13 state funding to provide indigent behavioral health care, to
 14 facilities licensed under chapter 395 which do not receive
 15 state funding for indigent behavioral health care, or
 16 reimburse the unsubsidized facility for the cost of behavioral
 17 health care provided to the displaced indigent care patient.

18 7. Traditional community mental health providers under
 19 contract with the Department of Children and Family Services
 20 pursuant to part IV of chapter 394, child welfare providers
 21 under contract with the Department of Children and Family
 22 Services in areas 1 and 6, and inpatient mental health
 23 providers licensed pursuant to chapter 395 must be offered an
 24 opportunity to accept or decline a contract to participate in
 25 any provider network for prepaid behavioral health services.

26 8. For fiscal year 2004-2005, all Medicaid eligible
 27 children, except children in areas 1 and 6, whose cases are
 28 open for child welfare services in the HomeSafeNet system,
 29 shall be enrolled in MediPass or in Medicaid fee-for-service
 30 and all their behavioral health care services including
 31 inpatient, outpatient psychiatric, community mental health,

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1 and case management shall be reimbursed on a fee-for-service
 2 basis. Beginning July 1, 2005, such children, who are open for
 3 child welfare services in the HomeSafeNet system, shall
 4 receive their behavioral health care services through a
 5 specialty prepaid plan operated by community-based lead
 6 agencies either through a single agency or formal agreements
 7 among several agencies. The specialty prepaid plan must result
 8 in savings to the state comparable to savings achieved in
 9 other Medicaid managed care and prepaid programs. Such plan
 10 must provide mechanisms to maximize state and local revenues.
 11 The specialty prepaid plan shall be developed by the agency
 12 and the Department of Children and Family Services. The agency
 13 is authorized to seek any federal waivers to implement this
 14 initiative. Medicaid-eligible children whose cases are open
 15 for child welfare services in the HomeSafeNet system and who
 16 reside in AHCA Area 10 are exempt from the plan upon
 17 development of a service delivery system for Area 10 children
 18 in the reform area under the conditions set forth in s.
 19 409.91211(3)(dd).

20 Section 6. Paragraph (dd) of subsection (3) of section
 21 409.91211, Florida Statutes, is amended to read:

22 409.91211 Medicaid managed care pilot program.--

23 (3) The agency shall have the following powers,
 24 duties, and responsibilities with respect to the pilot
 25 program:

26 (dd) To implement ~~develop and recommend~~ service
 27 delivery mechanisms within a provider service network or
 28 capitated managed care plan ~~plans~~ to provide Medicaid services
 29 as specified in ss. 409.905 and 409.906 to Medicaid-eligible
 30 children who are open for child welfare services in the
 31 HomeSafeNet system ~~in foster care~~. These services must be

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1 coordinated with community-based care providers as specified
 2 in s. 409.1671 ~~s. 409.1675, where available,~~ and be sufficient
 3 to meet the medical, developmental, behavioral, and emotional
 4 needs of these children. Covered behavioral health services
 5 must include all services currently included in the specialty
 6 prepaid plan as implemented under s. 409.912(4)(b). These
 7 service-delivery mechanisms must be implemented no later than
 8 July 1, 2008, in AHCA Area 10 in order for the children in
 9 AHCA Area 10 to remain exempt from the statewide plan under s.
 10 409.912(4)(b)8.

11
 12 (Redesignate subsequent sections.)

13
 14

15 ===== T I T L E A M E N D M E N T =====

16 And the title is amended as follows:

17 On page 1, line 21, after the semicolon,
 18
 19 insert:

20 amending s. 409.912, F.S.; providing an
 21 exception to behavioral health care services
 22 delivered through a specialty prepaid plan for
 23 certain specified children; amending s.
 24 409.91211, F.S.; requiring the Agency for
 25 Health Care Administration to implement
 26 delivery mechanisms to provide Medicaid
 27 services to Medicaid-eligible children who are
 28 open for child welfare services in the
 29 HomeSafeNet system; requiring that the services
 30 be sufficient to meet the medical,
 31 developmental, behavioral, and emotional needs

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1 of the children; directing the agency to
2 implement the service delivery by a specified
3 date;

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